

SECTION C**Answer TWO questions from this section.**

- 8** In 2016, the volume of world trade grew more slowly than world real GDP for the first time in 15 years.

Evaluate factors that might have caused this slow growth in world trade.

(Total for Question 8 = 20 marks)

- 9** In the three months after the UK's vote to leave the European Union in June 2016, the value of the pound sterling depreciated by over 15% against the US dollar and the euro.

To what extent is the exchange rate of a country's currency the most important factor influencing its international competitiveness?

(Total for Question 9 = 20 marks)

- 10** Central banks in the eurozone, Japan, Switzerland and Sweden set negative base interest rates in 2016.

Evaluate the use of monetary policy to stimulate an economy in a period of weak global economic growth.

(Total for Question 10 = 20 marks)

SECTION C**Answer TWO questions from this section.**

- 8** In 2021 there was a significant increase in the number of joint ventures between local businesses and transnational companies in many developing countries.

Evaluate the likely benefits to a developing country of joint ventures between local businesses and transnational companies as a means of promoting *economic development*.

(Total for Question 8 = 20 marks)

- 9** Between 1970 and 2020 growth in international trade, a key measure of globalisation, increased significantly.

Evaluate whether the benefits of globalisation outweigh the costs. Refer to a country of your choice in your answer.

(Total for Question 9 = 20 marks)

- 10** In 2020 developed countries that were members of the Organisation for Economic Cooperation and Development (OECD) spent \$238 billion on agricultural subsidies.

Evaluate the disadvantages of agricultural subsidies paid to farmers in developed countries on developing countries.

(Total for Question 10 = 20 marks)

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SECTION C**Answer TWO questions from this section.**

- 8** In 2019 the rate of economic growth was over 6% in both India and China.

Evaluate the likely impact of rapid economic growth in emerging economies on world trade patterns. Refer to countries of your choice in your answer.

(Total for Question 8 = 20 marks)

- 9** The share of GDP accounted for by the service sector is much higher in the UK and the USA than in Italy and Canada.

Evaluate the possible benefits of specialisation and trade to a developed country of your choice.

(Total for Question 9 = 20 marks)

- 10** In 2019 the current account deficit on the balance of payments in Turkey was US\$47.4 billion and in Argentina it was US\$31.3 billion.

Evaluate the disadvantages of a current account deficit to a developing country of your choice.

(Total for Question 10 = 20 marks)

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SECTION C**Answer TWO questions from this section.**

- 8** Between 2008 and 2017, Portugal's national debt increased from 71% of Gross Domestic Product (GDP) to 126% of GDP. Italy's national debt increased from 102% of GDP to 132% of GDP over the same period.

Evaluate the extent to which an increase in the national debt is a cause for concern. Refer to a developed country of your choice in your answer.

(Total for Question 8 = 20 marks)

- 9** In January 2018 Saudi Arabia and five neighbouring countries introduced a value added tax (an indirect tax) at a rate of 5%.

Evaluate the likely macroeconomic effects of the introduction of an indirect tax on a developing country of your choice.

(Total for Question 9 = 20 marks)

- 10** In 2017 Turkey's deficit on the current account of the balance of payments was \$47.1 billion. In the same year, France's deficit on the current account of the balance of payments was \$36.8 billion.

Evaluate the possible causes of a current account deficit. Refer to a country of your choice in your answer.

(Total for Question 10 = 20 marks)

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SECTION C**Answer TWO questions from this section.**

- 8** In 2020 the Government of Chile increased the top rate of income tax from 35% to 40%.

Evaluate the likely macroeconomic effects of an increase in the top rate of income tax on a country of your choice.

(Total for Question 8 = 20 marks)

- 9** In 2020 New Zealand's productivity rate was 40% lower than the average productivity of many other advanced economies.

Evaluate factors that influence a country's international competitiveness. Refer to a developed country of your choice in your answer.

(Total for Question 9 = 20 marks)

- 10** Between 2008 and 2018, income inequality, as measured by the Gini coefficient, increased from 0.43 to 0.51 in Angola and from 0.34 to 0.41 in Bulgaria.

Evaluate government policies that could be used to reduce income inequality in a developing country of your choice.

(Total for Question 10 = 20 marks)

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SECTION C**Answer TWO questions from this section.**

- 8** According to the Global Competitiveness Index, Belgium's international competitiveness rank fell four places between 2015 and 2019.

Evaluate measures that a developed country might take to increase its international competitiveness. Refer to a developed country of your choice in your answer.

(Total for Question 8 = 20 marks)

- 9** Between 2014 and 2018 the average cost to developing countries of servicing and repaying their external debts increased by over 60%.

Evaluate the case for promoting *economic development* through debt relief. Refer to a developing country of your choice in your answer.

(Total for Question 9 = 20 marks)

- 10** Between January and August 2018, Turkey's currency, the lira, depreciated by nearly 40% against the US dollar.

Evaluate the economic effects of a depreciation of a country's currency. Refer to a country of your choice in your answer.

(Total for Question 10 = 20 marks)

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SECTION C**Answer TWO questions from this section.**

- 8** In 2019 it was estimated that a large proportion of the fiscal deficit in Japan and the UK was structural.

Evaluate whether a structural fiscal deficit is a more serious issue than a cyclical fiscal deficit. Refer to a country of your choice in your answer.

(Total for Question 8 = 20 marks)

- 9** Between 2007 and 2017 income inequality increased in Denmark and in Italy.

Evaluate possible causes of an increase in income inequality within a developed country of your choice.

(Total for Question 9 = 20 marks)

- 10** In 2020 Argentina's currency, the peso, fell by 75% against the US dollar.

Evaluate factors that influence the exchange rate of a currency. Refer to a developing country of your choice in your answer.

(Total for Question 10 = 20 marks)

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SECTION C**Answer TWO questions from this section.**

- 8** Between 1980 and 2020 it was estimated that total global shipping container volumes increased from 100 million tonnes to 2 billion tonnes.

Evaluate factors that have contributed to increased globalisation in the last 50 years. Refer to examples of countries in your answer.

(Total for Question 8 = 20 marks)

- 9** In 2020 the European Union imposed retaliatory tariffs of 25% on many US goods in a dispute over aircraft subsidies.

Evaluate possible reasons why developed countries might restrict free trade.

(Total for Question 9 = 20 marks)

- 10** In 2020 Pakistan had a Human Development Index (HDI) score of 0.60 whereas Argentina had a HDI score of 0.85.

Evaluate economic factors that constrain the growth and development of a developing country.

(Total for Question 10 = 20 marks)

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SECTION C**Answer TWO questions from this section.**

- 8** Between 2000 and 2018 Cambodia's terms of trade fell by 31.3%.

Evaluate the macroeconomic effects of a fall in a country's terms of trade on a government's macroeconomic objectives. Refer to a country of your choice in your answer.

(Total for Question 8 = 20 marks)

- 9** In 2017 Yemen received over \$3 billion of development aid, an increase of almost 200% since 2013.

Evaluate the case for promoting *economic development* through aid. Refer to a developing country in your answer.

(Total for Question 9 = 20 marks)

- 10** Between 2012 and 2018 Spain's public expenditure as a proportion of GDP fell from 48.1% to 41.3%.

Evaluate the likely economic effects of a reduction in public expenditure as a proportion of GDP. Refer to a developed country of your choice in your answer.

(Total for Question 10 = 20 marks)

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SECTION C**Answer TWO questions from this section.**

- 8** In 2022 the value of Japan's currency, the yen, fell by 35% against the US dollar.

Japan's central bank intervened in the currency markets to increase the external value of the yen. This intervention cost the central bank \$20.8 billion.

Evaluate policies that can be used to prevent a country's exchange rate from depreciating. Refer to a developed country of your choice in your answer.

(Total for Question 8 = 20 marks)

- 9** The eurozone is an economic and monetary union. Member countries of this union share a single currency, the euro. Romania is hoping to become a member of the eurozone by 2026.

Evaluate the costs to a country of becoming a member of an economic and monetary union. Refer to a country of your choice in your answer.

(Total for Question 9 = 20 marks)

- 10** From 2017 to 2021 public expenditure as a proportion of GDP rose from 25.1% to 29.5% in Azerbaijan and from 12.5% to 15.9% in India.

Evaluate possible causes of an increase in public expenditure as a proportion of GDP in a developing economy of your choice.

(Total for Question 10 = 20 marks)

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SECTION C

Answer TWO questions from this section.

Write your answer to your FIRST chosen question on page 17.

Write your answer to your SECOND chosen question on page 22.

- 8 Between 2007 and 2022 income inequality increased in both Sweden and the USA.

Evaluate possible causes of an increase in income inequality within a developed country of your choice.

(Total for Question 8 = 20 marks)

- 9 According to the World Trade Organization (WTO), between 1995 and 2022, the share of developing economies' exports in world trade increased and the share of developed economies' exports decreased.

Evaluate factors influencing patterns of trade between countries.

(Total for Question 9 = 20 marks)

- 10 In South Sudan HDI was 0.43 in 2010 and 0.39 in 2022.

Evaluate market-orientated strategies that a government in a developing country of your choice might use to increase *economic development*.

(Total for Question 10 = 20 marks)

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SECTION C**Answer TWO questions from this section.**

- 8** Between 2000 and 2020, Gibraltar's terms of trade worsened by 44.6% and Greece's terms of trade worsened by 14.3%.

Evaluate factors that might cause a country's terms of trade to worsen.

(Total for Question 8 = 20 marks)

- 9** In 2021 it was estimated that a large proportion of the fiscal deficits in both Brazil and Suriname was structural.

To what extent is a structural fiscal deficit more serious than a cyclical fiscal deficit?
Refer to a developing country of your choice in your answer.

(Total for Question 9 = 20 marks)

- 10** In the first quarter of 2022 the USA and Australia both experienced inflows of foreign direct investment (FDI) of \$67 billion and \$59 billion respectively.

Evaluate the potential economic benefits to a developed country of FDI inflows.

(Total for Question 10 = 20 marks)

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SECTION C

Answer TWO questions from this section.

- 8 Between September 2021 and September 2022 the US dollar appreciated by nearly 18% against the euro.

Evaluate the likely economic effects of an appreciation of a country's currency on its economy. Refer to a developed country of your choice in your answer.

(Total for Question 8 = 20 marks)

- 9 In 2020 the International Monetary Fund (IMF) provided financial assistance of \$13 billion to low-income developing countries. In addition, the World Bank provided financial assistance of \$43 billion to low-income developing countries.

Evaluate the role of international institutions in promoting *economic development*. Refer to examples of developing countries in your answer.

(Total for Question 9 = 20 marks)

- 10 Between 2003 and 2019, income inequality, as measured by the Gini coefficient, increased from 0.25 to 0.29 in Sweden and from 0.32 to 0.37 in Indonesia.

Evaluate possible causes of an increase in income inequality within a country of your choice.

(Total for Question 10 = 20 marks)

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SECTION C

Answer TWO questions from this section.

- 8 In February 2021 the UK Government applied to join one of the world's largest free-trade areas, the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).

Evaluate the likely economic benefits to a country of joining a trading bloc.

(Total for Question 8 = 20 marks)

- 9 In 2021 Singapore's surplus on its current account of the balance of payments was over \$60 billion.

Evaluate possible causes of a current account surplus. Refer to a developed country of your choice in your answer.

(Total for Question 9 = 20 marks)

- 10 In Libya the HDI was 0.80 in 2010 and it was 0.72 in 2019.

Evaluate interventionist strategies that a government in a developing country of your choice might use to increase *economic development*.

(Total for Question 10 = 20 marks)

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